



DEPARTMENT OF THE NAVY  
OFFICE OF THE SECRETARY  
1000 NAVY PENTAGON  
WASHINGTON DC 20350-1000

September 2, 2005

MEMORANDUM FOR UNDER SECRETARY OF DEFENSE (PERSONNEL AND  
READINESS)

SUBJECT: Navy And Marine Corps Response To Uniform Policy On Personnel Claims  
Act (PCA) Claims In Military Housing Privatization Initiative (MHPI)  
Housing

In response to your memo on this subject, the Department of the Navy (DON) agrees that we must help those families impacted by disasters such as Hurricane Katrina. In our view, it is important that we treat military personnel equally when they are confronted with situations of this magnitude. Rather than focus on the needs of only those who live in privatized housing, we recommend that the Department of Defense take necessary actions to address the comprehensive needs of all personnel and their families who are affected by the current situation.

The Department of the Navy concurs with the proposed action to treat Military Housing Privatization Initiative (MHPI) housing as though it were assigned or provided in kind by the United States Government under 31 U.S.C. §§ 3721(b) and (e), but we recommend that you limit that policy determination to claims filed as a result of Hurricane Katrina-related damage.

Separately, we recommend that the Department of Defense seek immediate special legislative relief for all military personnel who suffer uncompensated property loss or damage as a result of Hurricane Katrina and other similar situations, regardless of the type of housing they reside in. Such legislation could extend the coverage of the Personal Claims Act beyond those who live in quarters "assigned or provided in kind" by the Government. This course of action has several advantages: In addition to targeting benefits to all affected members and families in need of assistance, it would preserve our options to determine the best way to respond in this, and future, emergencies.

We will gladly assist in formulating and pursuing such special legislation.

A handwritten signature in black ink, appearing to read "D. Aviles", is positioned above the printed name.

Dionel M. Aviles  
Under Secretary of the Navy